

Research Grant Pocket Compliance Guide

The **Principal Investigator** together with his/her designee is responsible for ALL aspects of the grant – both the science and the proper fiscal stewardship.

DIRECT COSTS:

(SEE OMB 2CFR Chapter 1, Chapter II, Part 200 et al. Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards: Final rule aka. Uniform Guidance (UG))

- Must be specifically identified to a particular project – Charge it where you use it.
- Must be allocable in accordance with relative benefits derived.
- Must be reasonable (i.e., cost must be necessary, conservative and reflect the actions of a “prudent person.”)
- Must be allowable, (e.g. entertainment may not be charged to a federal grant under any circumstances.)
- Must be timely (i.e., cost transfers should occur as soon as an error is discovered, but no later than 90 days after original charge was incurred.)
- Facilities and Administrative costs are normally included in the institution’s overhead rate and CANNOT be directly charged to a Federal grant.
- Must conform to any Limitations or Exclusions in the Sponsored Agreement.

NOTE:

See OMB 2CFR Chapter 1, Chapter II, Part 200 Uniform Guidance (UG), and/or NIH Grants Policy Statement lists of selected items of cost, which cannot be charged to grants.

<https://www.ecfr.gov/cgi-bin/text-idx?SID=ed90f54836feb6a994f657188eb05e33&node=2:1.1.2.2.1&rgn=div5>
<https://grants.nih.gov/grants/policy/nihgps/nihgps.pdf>

EFFORT CERTIFICATION

Annually, Faculty/Designee/Principal Investigator completes the “Statement of Verification – Time & Effort Report” certifying the percentage of effort and resulting salary charge, as indicated, are reasonable in relation to the work performed. Activities certified include: Sponsored Research, Instruction, Hospital Duties, and other (e.g., research administration, departmental business, proposal preparation, clinical activities and unsponsored research.)

- Must be certified by employee and manager with firsthand knowledge of all the employee’s activities.
- Represents the paid effort according to institutional base salary, limited by the NIH salary cap (for those employees with base salaries exceeding the cap).
Perform annual certification after effort was performed, per School guidelines, in percentages adding up to 100%
- Sponsor’s approval required for significant changes in effort.
- Effort reports should capture all School compensated activities.
- Effort Certification is NOT based on a 40-hour work-week; rather, it should capture all effort (as determined by compilation and allocation of the base salary adding to 100%) expended on School activities.

NOTE:

Refer to School Finance Policy #174 (Time and Effort Reporting) for more details.

COST TRANSFER:

- Must comply with principles of direct cost.
- Project funds are NOT interchangeable.
- Transfers are a means of correcting errors NOT managing project funds.
- Must be supported with a full, detailed explanation – Not just what was done but why the transfer was necessary.
- Costs allocable to several projects CANNOT generally be charged solely to a single project.
- Costs not applicable to a project CANNOT be transferred to that project even temporarily!

COST SHARING:

- Definition: specific portion of the project or program costs which are not funded by the sponsor; cost sharing cannot come from another Federal project.
- If proposed, cost sharing MUST be performed – you must have prior institutional authorization.
- Unallowable costs CANNOT be included in the portion of costs shared by the School (See OMB 2CFR Chapter 1, Chapter II, Part 200 Uniform Guidance (UG))
- Costs benefiting another project CANNOT be included in the portion of costs shared by the School (see OMB 2CFR Chapter 1, Chapter II, Part 200 Uniform Guidance (UG))
- Costs benefiting another project CANNOT be included as cost sharing, e.g., costs benefiting ‘Project A’ CANNOT be included as part of the costs that are shared by the School on ‘Project B’.
- Contributed base salary, in excess of the NIH salary cap, is cost sharing but cannot be used to meet required cost sharing.

NOTE:

Policy Statement, discuss the requirements for cost sharing.

<https://grants.nih.gov/grants/policy/nihgps/nihgps.pdf>

GRANTS MANAGEMENT BEST PRACTICES:

Principal Investigator (PI) coordinates project planning, proposal submission, operations and monitoring, and close-out activities with the Administrator, GCO and Sponsored Projects Finance (SPF).

Project Planning/Proposal Submission/Award

- PI is aware of important research related due dates requiring attention.
- PI develops a plan to draft proposal that incorporates all necessary signoffs, including: IRB, IACUC, Radiation Safety licenses and certifications, Human Subject Protocols, Departmental, GCO, COIC, and Finance sign-offs.

The Following information should be accumulated for each grant and be referred to during the life of the project:

- Notice of Grant Award: Some things to look for – a) what project charges are allowable? B) Are there deliverables? C) Is there a “75% spent” requirement?

- Budget Template: a tool which maps the proposal budget to the budget amount awarded to the specific amount entered in the general ledger, GEAC, grant account.

Operations and Monitoring

- PI and/or designee participate in the initiation, approval and overview for all salary and non-salary transactions.
- All charges are adequately documented and authorized, e.g., Salary – Effort Reports; Non-Salary – Invoices.
- Accurate grant effort and base salary for all salary source changes, adjust for NIH salary cap, if applicable.
- Fund Ledger reports (316's) are reviewed monthly; according to SPF's grant review check list, any errors are immediately communicated to Administrators and Sponsored Projects Finance and resolved timely.
- PI discusses project status with Administrator on a monthly basis and is aware of the funds available to support the research project.
- When changes to current projects are necessary, adequate documentation of said change is accumulated by Administrator and reviewed and signed-off by PI. Some changes require a prior approval from the Sponsoring Agency such as: a) Change in key personnel; b) Absence of the PI for more than 3 months; c) Significant changes in PI effort.
- Administrator develops a calendar that accumulates all important grant dates and activities such as: Competitive Renewal, due dates for periodic and final scientific progress reports, and other deliverables.

Close-out Activities:

- PI reviews and signs off on the accuracy of Financial Status Reports submitted to sponsors.
- PI, Administrator and Sponsored Projects Finance together manage the grant to ensure timely financial and technical reporting.

INSTITUTIONAL PRIOR APPROVAL REQUIREMENTS FOR PHS/DHHS AWARDS

- ***Travel***
Domestic Travel: Expenditures not included in the approved budget and the amount exceeds \$5,000 or travel costs that exceeds 50% of an approved categorical travel budget.

Foreign Travel: Expenditures not already included in the approved budget.
- ***Equipment***
Purchases in excess of \$25,000. (PHS prior approval required only if changed in scope or not included under expanded authorities.)
- ***Pre-Award Costs***
To cover costs up to 90 days before the beginning date of the initial budget for a new or competing continuation award.
- ***Consortium Agreement***
Transfer of performance of substantive programmatic work to a third party (by consortium agreement) if there is no change in scope.

EXPANDED AUTHORITIES:

ISMMS operates under „expanded authorities“ whereby the NIH has waived cost-related and other prior-approval requirements for many activities and expenditures and provided authority for these activities and expenditures to the grantee. Specifically, ISSM can:

- Initiate a one-time extension of the expiration date of the award of the expiration date of the award of up to 12 months, if PI notifies the Federal awarding agency in writing at least 10 days before the expiration date.
- Carry forward unobligated balances to subsequent funding periods.
- Waive cost-related (rebudgeting) and administrative prior written approvals required by OMB 2CFR Chapter 1, Chapter II, Part 200 Uniform Guidance (UG). (Prior approval still required for *significant* project changes, such as changes in scope, objectives or total cost and PI effort.)

NOTE:

View a “prior approval” matrix in the Policies and Procedures Governing Sponsored Program, see <https://grants.nih.gov/grants/policy/nihgps/nihgps.pdf>

SEE ALSO:

The NIH Grants Policy Statement, Part II A, 8.1.1 for a complete discussion of Expanded Authorities.

CONFLICT OF INTEREST:

Research team members must disclose all financial interests that could affect or be affected by the funded activity.

For a complete policy statement, see <https://grants.nih.gov/grants/policy/nihgps/nihgps.pdf>

Call Sponsored Projects Finance at x64023 with any Grants Management and/or Compliance questions.

RESOURCES:

Internal

Corporate Compliance Office

(800)853-9212 (Help line)

<http://intranet1.mountsinai.org/compliance>

Vivian Mitropoulou

Director of Research Compliance

(646)605-7120

Vivian.mitropoulou@mountsinai.org

Grants & Contracts

Jessica Moise

Senior Associate Dean

(646)605-8650

<http://www.mssm.edu/grants>

Sponsored Projects Accounting

Raj Appavu

Senior Director Finance

(646)605-4023

<http://www.mssm.edu/finance>

Research Conflict of Interest Officer

Leslie Schneier

Associate Dean

(212)241-4098

Leslie.schneier@mssm.edu

Mount Sinai School of Medicine Policies and Procedures Governing Sponsored Programs

<http://www.mssm.edu/grants/pdfs/manual.pdf>

School Finance Policies and Procedures

<http://www.mssm.edu/finance/gcoacctg>

Faculty Handbook

<http://www.mssm.edu/forfaculty/handbook/>

External

Uniform Guidance (UG)

<https://www.ecfr.gov/cgi-bin/text-idx?SID=ed90f54836feb6a994f657188eb05e33&node=2:1.1.2.2.1&rgn=div5>

NIH Grants Policy Statement

http://www.nih.gov/suv/grants/policy/nihgps/nih_gps.pdf